

## CONFERENCE MEMORANDUM

April 8, 1976

April 9, 1976

## Conferees:

LeRoy Hard, General Manager	Monroe County Electric Cooperative
Robert Rippelmeyer, Director	
Victor Schrader, Director	
Ray Rusteberg, Director	
Marvin Lauterjung	Illinois Power
Clayton Mees	Illinois Power
Keith Purnano (?)	Illinois Power
B. L. Hantle	Illinois Power
Frank Johnson	Southern Engineering Company
B. E. B. Snowden	Southern Engineering Company

Reference: Territory 06 031 001

This first territory negotiation session convened at 10:00 a.m. in the offices of Monroe County Electric Cooperative in Waterloo, Illinois.

After a brief discussion as to the purposes and the desires to enter into a territory agreement between the parties, LeRoy Hard commented that the parties had been swapping material by mail and with telephone conversations and that hopefully the meeting would resolve some of these details to come to a conclusion having an agreement which could be executed and submitted to the Illinois Commerce Commission for approval.

Using a copy of the 1974 proposed service area agreement which was submitted by Illinois Power to the Coop, as a basis, Snowden proceeded to review certain details and pointed out for example that where new definitions were developed in the agreement, the proposed service area agreement submitted by the Coop in 1975 to Illinois Power was endeavoring to track the territory law rather than to create new names and definitions. At the same time some modification was made because of the need to better coordinate the understanding. Lauterjung indicated that there should be no problem in arriving at some suitable verbiage in connection with these definitions and other details of the agreement.

We immediately went into the discussion, referring to the Illinois Power map, in relation to the Union Electric line which Illinois Power had indicated they would tap to serve loads in excess of 500 kW in a corridor designated as .25 mile each side. LeRoy had previously communicated with Union Electric and they had indicated that they would serve loads off of that line.

Lauterjung indicated that this would not be the case that the letter to LeRoy simply did not carry the conversation far enough and that there was agreement between UE and IP which provided that UE would not serve on this Illinois portion of territory as is embraced by Monroe Coop and likewise, Illinois Power would not go across the river into Missouri. He indicated that the Commission

had certificated each of the respective companies accordingly and that under the Utilities Act and the certificate UE could not serve off that line and that with their joint agreement for interchange of power and other reasons, they would tap that line for service to loads as prescribed in the agreement.

After considerable discussion Lauterjung indicated that it would be their intention and the agreement was intended to convey that they would serve loads 500 kW or more in the quarter mile corridor and that the loads would be served from the 138 kV line. They would not be served by IP constructing a 12 kV or some other voltage line from out in the territory into the corridor for that service. He agreed that this could be written into the agreement so as no misunderstanding would be made. We inquired if he would reduce the quarter mile to 1000' and Mees indicated that he could not, in good conscience, agree to 1000' because the quarter mile was a result of negotiations with some five or six other cooperatives with whom they have agreements. Ray Rusteberg came in with some comment about the fact that Illinois Power should have called upon all of the coops to negotiate the agreement and not leave out one such as Monroe Electric which means that they were trying to push into the Monroe Electric agreement details which other Coops considered all right but which Monroe Electric may very well not consider of merit. He pointed out that in his opinion Monroe Cooperative has a considerably greater mileage of a foreign power company line in the area which is giving rights to IP and that the situation should be considered different enough for different treatment to be given. Lauterjung indicated that some consideration could be given and that they would take that under advisement. A general discussion was then carried on as to the load levels and IP obviously is of the opinion that the 150 kW on 34 kV lines, 375 kW on 69 kV and 500 on lines above 69 kV should be used and is a reasonable level of load.

A discussion was carried along in reference to points of delivery and the matter of creating new delivery points as a result of a customer applying for a different electric service classification. Lauterjung indicated as an example that if a single-phase line serving a customer was captured within an area assigned by agreement to Monroe Electric and that customer came with a request for conversion to say, three-phase power. He felt that IP if they had a considerable expense necessary to convert and furnish three-phase and that possibly Monroe was closer by and could readily serve three-phase to that customer, then it would be more logical that the customer be created as a new customer and the Coop having that customer in its assigned territory area should serve the load and Illinois Power would withdraw from that area. (No discussion was carried as to what would happen to, say a substantial amount of line captured in an area and whether or not IP would move the line out of the area totally or whether there might be some conversation about selling it to Monroe if they could utilize it in their system).

Conference Memorandum  
April 9, 1976  
Page -3-

The group adjourned for lunch agreeing that each could caucus among themselves by eating separately which was done.

Upon return from lunch we then embarked upon discussion of the Union Electric 230 kV line which runs across the northern part of the territory and suggested that no corridor be delineated to that line but simply utilize the 1500 kW level which is set forth in the agreement for loads anywhere in the area and after some discussion it appeared more logical that some load level be applied to the corridor and Lauterjung indicated he would have his people figure what was the minimum economical load for tapping into 230 kV line. This computation to be made on the same basis that the derivation of the 500 kW load being tapped from the 138 kV line.

Some discussion as to the 34 kV lines which are considered to be distribution level resulted in some discussion as to the dependability of those lines if numerous loads of 150 kW or more were served along the lines, thus bringing them actually from an operational standpoint into a distribution line category. Keith commented that they had been making studies and that there would be an overlaying higher voltage line ultimately constructed which would break the present 34 kV lines down into segments which could provide satisfactory and dependable operation. He indicated that they definitely would not convert the 34 to 69 kV for improvement of the system.

In summation, Lauterjung indicated that they would check on the matter of considering 1000' corridors rather than quarter mile; they would have the computation made of the load level for tapping the 230 kV; they would agree that in the event the IP-UE power transfer agreement was terminated then the entire area as covered by the corridors of the UE lines would be eliminated and the entire area would exclusively revert to Monroe Electric.

We agreed that we would not submit revised suggested agreements but would have a meeting on May 5 at which time we would take the agreements and develop with a two-party team on each side an agreement which appeared to satisfy all of the requirements of both parties. Also, actual delineation of boundary lines would be developed on the maps and a field check of these would be made by the parties traveling together and resolving boundary line details as the traveling progressed.

Upon completion of that activity, each party would carry back to the remainder of his group the final conclusions for final approval by the total group.

It is expected that if May 5, 6 and 7 is not sufficient time to wrap up this situation then additional time will either be scheduled or arrangements made between the parties for other representatives to ride out the balance of the area.

This meeting adjourned at approximately 4:00 p.m. with both sides reasonably enthusiastic that we could accomplish the matter of agreeing on the territory and filing the agreement with the Commission for approval.

BEBS:mk